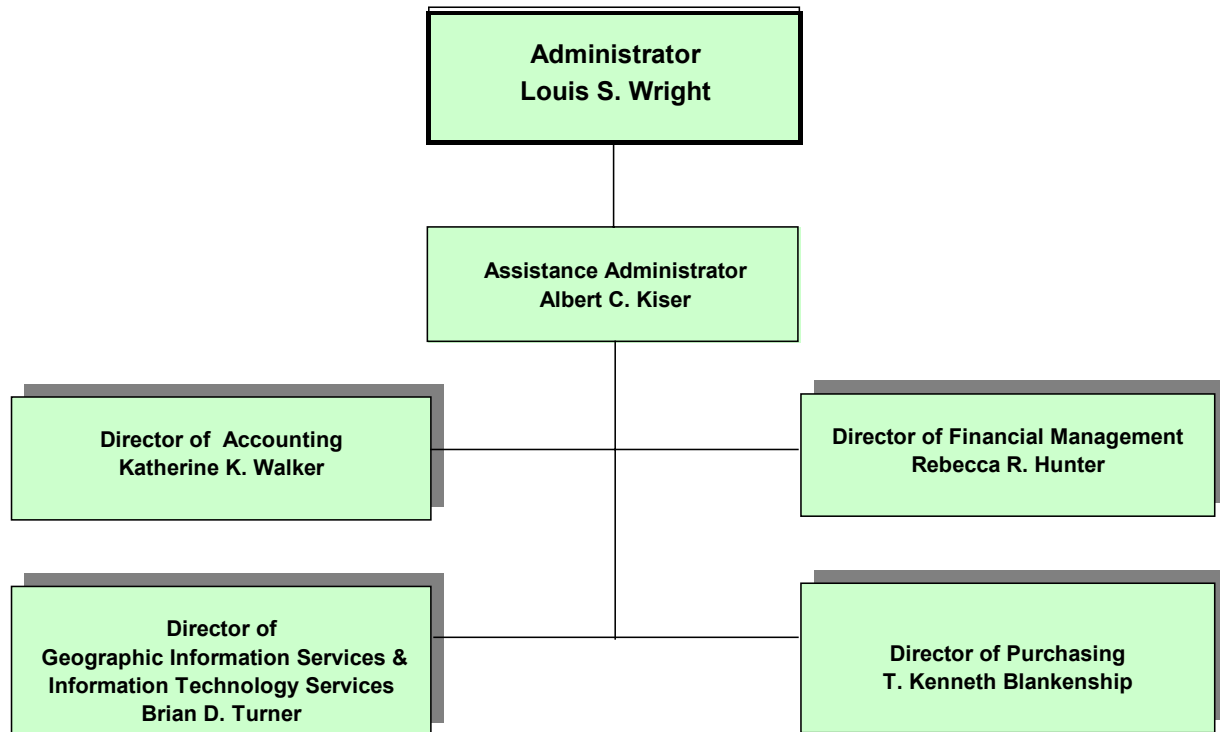


Finance Division

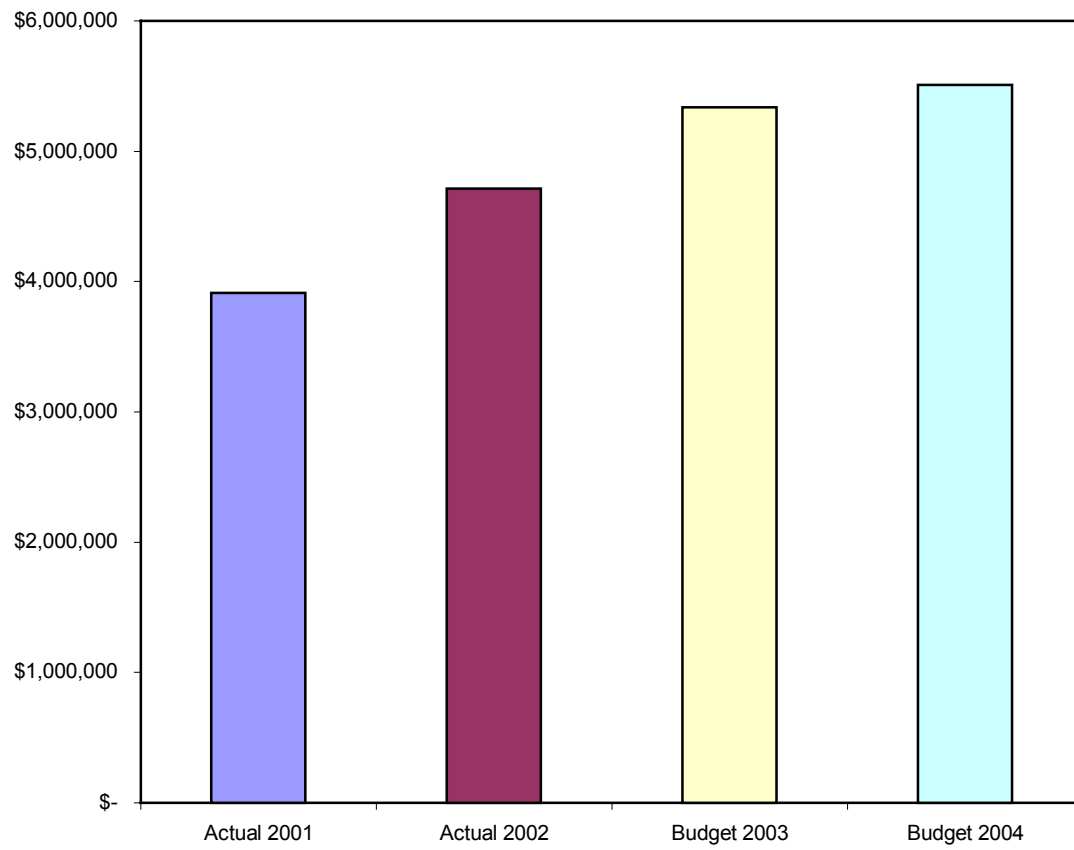
This division encompasses the fiduciary aspects of Hamilton County Government. Located here are the Finance Administrator, Accounting, Financial Management, Purchasing, Information Technology Services and Geographic Information System.



Front row left to right: Katherine Walker and Rebecca Hunter

Back row left to right: Brian Turner, Kenneth Blankenship, Louis Wright (Finance Administrator) and Albert Kiser

Finance Division



Finance Division Expenditures by Departments

Departments	Actual 2001	Actual 2002	Budget 2003	Budget 2004
Administrator	\$ 172,991	\$ 184,323	\$ 194,103	\$ 198,961
Accounting	1,244,822	1,381,448	1,547,682	1,548,524
Financial Management	376,240	373,887	398,473	548,186
Information Technology Services	1,863,915	1,968,630	2,265,428	2,353,406
Purchasing and Contract Mgmt.	257,021	379,003	407,256	339,801
Geographic Information System	-	425,633	524,990	521,055
	\$ 3,914,989	\$ 4,712,924	\$ 5,337,932	\$ 5,509,933
Authorized Positions	74	86	85	84

Administrator – 3100

FUNCTION

The Finance Administrator is responsible for managing all of the County's financial affairs. He provides financial information and advice to the County Mayor, County Commission and department administrators. He strives to provide support to County management for making financial decisions necessary to properly manage the County's resources. The Finance Administrator supervises the directors of the five departments within the Finance Division: Accounting, Financial Management, Purchasing, Information Technology Services and Geographic Information Services. These departments provide budget and accounting services, financial reporting, investment management and debt financing, as well as computer and mapping services to Hamilton County Government. This office is responsible for developing and controlling the County's budget of 460 million dollars; manages the County's investment portfolio; and serves as the technical expert on bond issues.

PERFORMANCE GOALS

1. To maintain a current knowledge of financial and management practices and legislation in order to give sound advice and guidance to the County Mayor, County Commission and department administrators.
2. To ensure the effective performance of each department within the Finance Division to provide the best possible service for Hamilton County Government; maintain adequate internal controls; and adhere to generally accepted accounting principles.
3. To develop a financial plan and budget that will preserve/upgrade the County's excellent bond rating and ensure the protection of the County's investments.
4. To continue to receive professional acknowledgement from the Government Finance Officers Association.

SERVICE OBJECTIVES

Maintain compliance with State and Federal reporting requirements; maintain the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting, Distinguished Budget Presentation Award and Award for Outstanding Achievement in Popular Annual Financial Reporting; provide current information technology services to each department; and process accounts payable checks and payroll in a cost effective manner.

Assess all available resources to meet operating budget and capital requirements; maintain a healthy general fund balance by practicing conservative financial management in order to have in reserve a minimum of 3 months' operating budget (25%), and maintain or upgrade the County's bond rating; maintain compliance with the County's Investment Policy and take advantage of investment opportunities that will increase the County's assets.

SERVICE ACCOMPLISHMENTS

	<u>FY 98-99</u>	<u>FY 99-00</u>	<u>FY 00-01</u>	<u>FY01-02</u>
% of Fund Balance	45%	36%	41%	37%
Bond Rating – Moody's	Aa2	Aa2	Aa1	Aa1
Bond Rating - Fitch	N/A	AA+	AA+	AA+
(FY 2000 was the first year Fitch was asked to rate the County.)				
Compliance with State & Federal Reporting Requirements	Yes	Yes	Yes	Yes
Compliance with County Investment Policy	Yes	Yes	Yes	Yes
GFOA Cert. Of Achievement in Financial Reporting (We have received the Certificate of Achievement for Excellence in Financial Reporting for Hamilton County's CAFR since 1981.)	Yes	Yes	Yes	Yes
GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting	Yes	Yes	Yes	Yes
GFOA Distinguished Budget Presentation Award	No	No	No	Yes

Expenditures by type	Actual 2001	Actual 2002	Budget 2003	Budget 2004
Employee Compensation	\$ 134,955	\$ 139,403	\$ 141,483	\$ 144,021
Employee Benefits	27,907	33,465	38,907	41,711
Operations	10,129	11,455	13,713	13,229
Total Expenditures	\$ 172,991	\$ 184,323	\$ 194,103	\$ 198,961

Accounting – 3101

FUNCTION

The function of the Accounting department is to provide professional accounting services for County General Government. This includes but is not limited to:

1. Record, disburse and account for all revenues and expenditures for Hamilton County Government through the use of an automated accounting system.
2. Assist in the preparation of the annual budget for Hamilton County Government.
3. Provide monthly financial reports to all departments, agencies and the County Commission.
4. Provide financial and statistical information as needed.
5. Monitor revenue and expense budgets for all departments and agencies.
6. Provide assistance to other areas of County Government in their accounting needs.
7. Prepare a comprehensive annual financial report in accordance with generally accepted accounting principles.
8. Prepare a condensed popular report from the annual financial report for distribution to the general public.
9. Provide billing and collection service for the Hamilton County Wide Ambulance Service.
10. Monitor and track the fixed assets of Hamilton County including infra-structures.

PERFORMANCE GOALS

1. To account for all financial resources in the most efficient and economical manner possible, to report such financial information in accordance with various laws, regulations and generally accepted accounting principles.
2. To provide quality information for making various financial decisions.
3. To assist all outside departments with all accounting needs.

PERFORMANCE OBJECTIVES

1. To effectively adhere to Generally Accepted Accounting Principles.
2. To ensure that all accounting information provided is accurate, timely and useful.
3. To accurately account for all fixed assets held by Hamilton County Government.

SERVICE ACCOMPLISHMENTS

1. Received the Certificate of Excellence for Financial Reporting award from the Government Finance Officers Association for the Comprehensive Annual Financial Report of Fiscal Year 2002 using the new reporting model.
2. Received the Certificate of Excellence for Popular Reporting award from the Government Finance Officers Association for the Popular Annual Financial Report of Fiscal Year 2002.
3. Completed phase two of a four phase physical inventory of the fixed assets of Hamilton County.
4. Prepared a Fixed Assets policy and procedure manual to be presented to the Hamilton County Commission in Fiscal Year 2004

Expenditures by type	Actual 2001	Actual 2002	Budget 2003	Budget 2004
Employee Compensation	\$ 781,533	\$ 885,086	\$ 993,388	\$ 961,710
Employee Benefits	222,589	280,147	354,564	359,034
Operations	240,700	216,215	199,730	227,780
Total Expenditures	\$ 1,244,822	\$ 1,381,448	\$ 1,547,682	\$ 1,548,524

Financial Management – 3102

FUNCTION

The Financial Management Department performs **four** key functions. The **first** function is to provide a centralized system of risk and exposure identification to provide the placement of the County's Commercial insurance coverage and to administer self-insurance liability and on-the-job injury programs. **Second**, it administers the County's fringe benefits package including health, life and dental insurance, pension plans and the deferred compensation and flexible benefits programs. **Third**, the department develops and coordinates the implementation of policies, procedures and programs designed to provide a safe and healthy workplace to comply with the Tennessee Occupational Safety & Health Administration's rules and regulations. **Fourth**, Financial Management is responsible for the payroll function for County employees, which includes processing of payroll checks, remittance of payroll taxes and all payroll related deductions. And **finally**, the department provides technical financial assistance as needed during the County's annual budget process and prepares and submits the Comprehensive Annual Budget Report to the Government Finance Officer's Association Awards Program.

PERFORMANCE GOALS

1. To administer the County's risk management program in the most effective and efficient manner to insure maximum protection against possible losses.
2. To minimize on the job injuries and general liability claims by maintaining a countywide safety program.
3. To provide a reasonable and attractive fringe benefits package for County employees and assure compliance with applicable state and federal laws and regulations.
4. To effectively perform payroll functions for County departments and to avoid payroll tax penalties by submitting them in a timely manner.
5. To receive the Government Finance Officer's Association's Distinguished Budget Award.

SERVICE OBJECTIVES

Reduce total dollars incurred for self-insurance programs.
Increase timely (OJI) incident reports by providing training and appropriate forms to all departments.
Lower (OJI) risk exposure with safety training in high incident departments.

Continue to offer affordable insurance benefits to employees.

To monitor payroll cost and to submit payroll taxes by the next business day.

Prepare and submit the budget document to GFOA within 90 days of Commission's approval of budget.

SERVICE ACCOMPLISHMENTS

Goal # 1 and # 2	1999 <u>Actual</u>	2000 <u>Actual</u>	2001 <u>Actual</u>	2002 <u>Actual</u>	2003 <u>Actual</u>
Number of claims reported	241	225	209	237	215
Total dollars incurred	\$540,871	\$463,892	\$476,656	\$343,899	\$415,588
Safety training classes provided	6	0	5	18	7

Goal # 3

In FY 2002 Financial Management implemented voluntary group term life, short-term and long-term disability benefits and a flexible benefits plan.

Goal # 4	1999 <u>Actual</u>	2000 <u>Actual</u>	2001 <u>Actual</u>	2002 <u>Actual</u>	2003 <u>Actual</u>
Number of Employees Paid	1,987	1,940	1,976	1,963	2,023
Total Payroll dollars in (1,000's)	\$41,058	\$45,294	\$48,055	\$51,812	\$56,440
Percentage of taxes paid timely	100%	100%	100%	100%	100%

Goal # 5

The FY 2003 budget document was prepared and submitted to the GFOA Awards Program and received the Distinguished Budget Presentation Award for the first time.

Expenditures by type	Actual 2001	Actual 2002	Budget 2003	Budget 2004
Employee Compensation	\$ 283,155	\$ 276,001	\$ 282,806	\$ 387,173
Employee Benefits	72,516	77,203	89,629	136,087
Operations	20,569	20,683	26,038	24,926
Total Expenditures	\$ 376,240	\$ 373,887	\$ 398,473	\$ 548,186

The Employee Compensation and Employee Benefits increased significantly due to the transfer of payroll to Financial Management from Accounting.

Information Technology Services – 3103

FUNCTION

Information Technology Services provides support in all areas of information technology. Some of our services are system design and development, data processing and production work, backup and data security, computer education, PC software support, and data communications. Information Technology Services also provides and supports network and Internet services. The County's Web-site is at www.HamiltonTN.gov

PERFORMANCE GOALS

1. Maintain and upgrade existing systems, networks and applications for Hamilton County.
2. The County's network now reaches the total downtown campus, the Health Department and many remote offices. Our goal this year is to continue meeting bandwidth demands and reach the remaining remote offices that need the network.
3. Develop or implement applications as requested by customers.
4. Expand our document management applications.
5. Better use our web services for the County.

SERVICE OBJECTIVES

1. Maintain a near 100% scheduled accessibility to all data and Information Technology Resources.
2. These are the next steps to improving network access downtown.
 - a. Provide network access to the Election Commission offices
 - b. Install secure wireless access for courtrooms in the Courts Building
 - c. Improve the bandwidth, via wireless, to the Development Resources Center
3. Implement first phases for a Building Inspection system and begin a Civil Courts application.
4. Satisfy the request of three more departments using a Document Management System.
5. Update web content and expand electronic services to the County.

SERVICE ACCOMPLISHMENTS

1. In FY 2002 scheduled accessibility was over 99% with no extended periods of inaccessibility for any Information Technology resources.
2. The County's network now serves approximately 600 people.
3. Completed and implemented Voter Registration System.
4. The first complete document management system was implemented in the Criminal court clerks office.
5. The County's web services were improved significantly in FY 2002.
 - a. Activated a useful Intranet for the County
 - b. Supported the County Clerk's online Tag Renewal serving more than 15,000 customers
 - c. Began mailing all forms on the web interactive
 - d. Put job application on the Internet
 - e. Put surplus inventory system in place
 - f. Implemented an online vendor registration system

Expenditures by type	Actual 2001	Actual 2002	Budget 2003	Budget 2004
Employee Compensation	\$ 1,154,131	\$ 1,229,261	\$ 1,364,721	\$ 1,409,033
Employee Benefits	315,569	349,048	427,744	477,273
Operations	394,215	390,321	472,963	467,100
Total Expenditures	\$ 1,863,915	\$ 1,968,630	\$ 2,265,428	\$ 2,353,406

Purchasing & Contract Management – 3104

FUNCTION

The primary function of purchasing is to buy the best available commodity or service at the lowest possible price in accordance with our policies that provide an open and fair process for all. A broader function makes it a managerial activity that goes beyond the simple act of buying and includes the planning and policy activities, covering a wide range of related and complimentary activities. Included in such activities are the research and development required for determining the proper sources of supplies. Consideration is given to standards, specifications, receiving, inspection, storage, accounting and surplus equipment. The purchasing director endeavors to buy the right quality in the right quantity, at the right time, the right place and from the right source with delivery to the right place.

GOALS

1. To promote and maintain appropriate levels of integrity in the County's purchasing activities
2. To support all County employees' efforts to work efficiently and effectively by providing reliable and cost effective means and methods for acquiring the goods and services needed to perform their duties
3. To facilitate effective compliance with Hamilton County's Purchasing Rules

PERFORMANCE OBJECTIVES

1. To effectively adhere to the Principals and Standards of Ethical Supply Management Conduct as promulgated by the Institute for Supply Management.
2. To ensure that the Purchasing Department's internal customers are satisfied with the quality of goods and services received even when orders are awarded on a "lowest and best" bid basis.
3. To conduct at least one "Purchasing Rules" seminar each year.

PERFORMANCE MEASURES

1. Number of reportable staff violations of ISM's Principals and Standards of Ethical Supply Management Conduct.
2. Results of periodic customer surveys indicating levels of satisfaction with key aspects of Purchasing operations, including results pertaining to quality of goods and services received even when orders are awarded on a "lowest and best" bid basis.
3. Number of "Purchasing Rules" seminars held each year.

SERVICE ACCOMPLISHMENTS FOR FY '03

1. No known violations of ISM's Principals and Standards of Ethical Supply Management Conduct.
2. Not currently available
3. One (1)

Expenditures by type	Actual 2001	Actual 2002	Budget 2003	Budget 2004
Employee Compensation	\$ 171,057	\$ 256,162	\$ 266,871	\$ 208,014
Employee Benefits	47,663	81,025	95,372	82,945
Operations	38,301	41,816	45,013	48,842
Total Expenditures	\$ 257,021	\$ 379,003	\$ 407,256	\$ 339,801

Geographic Information Systems – 3105

FUNCTION

Provide GIS support services to users of GIS data, including governmental agencies, non-governmental organizations, public and private sector companies. This support consists of application development, providing help desk assistance to computer users, creating new map layers and thematic maps, reproducing documents, participation in the subdivision review process, provide addressing for the County, and participating jurisdictions that are in accordance with the Regional Addressing Policy, aiding the process of revising county property maps, helping users understand maps and other data they acquire from us.

PERFORMANCE GOALS

1. Convert the storage of GIS data from ArcView shapefiles to an ArcSDE enterprise geodatabase.
2. Compile a master street database using Bellsouth's MSAG and block centerline file.
3. Create a digital master addressing file that will contain addresses for each dwelling in Hamilton County.
4. Create an additional internet mapping service (funded by City of Chattanooga) that will house Chattanooga data.
5. Continue to develop the existing web site to be more informational and functional.
6. Bring in revenue of at least \$63,000 in map and data sales.
7. Plan and execute an agreement to provide new Orthophotographs and planimetrics for the entire County.

SERVICE OBJECTIVES

1. Use federal standards as a guideline compile one database that is considered the master.
2. Work has begun by using county assessor data and existing address books.
3. Using ArcIMS and GeoCortex IMF, this internet mapping service will house Chattanooga Public Works information.
4. Continue to provide more functionality and layers to internet mapping users.
5. Purchase the software, develop a procedure with the help of ESRI and convert the GIS data using ESRI software.
6. Inform the community about the services of the GIS Department.
7. Select a vendor; develop requirements for the aerial photography and planimetric data. The planimetric data will be derived from the photography in time for the flight service to be done during in the winter of 2004.

SERVICE ACCOMPLISHMENTS

1. An evaluation version of ArcSDE has been setup to house an enterprise geodatabase. Work has begun on converting the storage of GIS data to an enterprise geodatabase.
2. The GIS Department revised the internet mapping web site in FY03. This site has become a valuable resource to GIS users. The new internet mapping framework provides additional functionality and stability in a user friendly environment.
3. Developed an addressing file for use in the 311 customer service software for the City of Chattanooga
4. Developed 911/CAD files to be used in the new Computer Aided Dispatch system.
5. Work has begun with EMS to support the WebEOC. WebEOC is a web-based emergency management communications system that will be used to access current GIS information.

Expenditures by type	Actual 2001	Actual 2002	Budget 2003	Budget 2004
Employee Compensation	\$ -	\$ 262,684	\$ 324,801	\$ 319,271
Employee Benefits	-	71,265	106,289	117,964
Operations	-	91,684	93,900	83,820
Total Expenditures	\$ -	\$ 425,633	\$ 524,990	\$ 521,055